Chapter 74
Lifestyles and Mobile Services Adoption in China

Shang Gao
Zhongnan University of Economics and Law, China

Zhihao Chen
Zhongnan University of Economics and Law, China

John Krogstie
Norwegian University of Science and Technology, Norway

Wenyan Zhou
Zhongnan University of Economics and Law, China

ABSTRACT

Along with the popularity of mobile devices and advances in wireless technology, mobile services have become more and more prevalent. To the best of knowledge, despite the potential importance of lifestyle, little research has been performed on the effect of various lifestyle factors on mobile services diffusion, particularly in the Chinese context. This study examines the relationship between the lifestyles of Chinese consumers and the adoption of mobile services. Based on a sample of 313 respondents from the biggest city in central China, one can show that consumers with different lifestyles have different preferences related to a number of the identified mobile services. Furthermore, Chinese consumers are clustered into four lifestyle segments by two dimensions: the quality-awareness fashionable dimension and the economical dimension. The findings demonstrate that the quality-awareness fashionable dimension has stronger impact than the economical dimension toward the adoption of all the five types of mobile services.

INTRODUCTION

The rapid growth of mobile communication and usage of mobile devices in recent years has provided a great opportunity for creating a variety of mobile services. A mobile service is a term used to describe software that runs on mobile devices. Mobile services are designed to educate, entertain and assist users in their daily lives. Although there are now a large number of mobile services on the market, the adoption of many advanced mobile services has been slower than expected in China (Gao, Zang, & Gopalakrishnan, 2012). While there has been an increasing availability of mobile services, limited attention has been

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given to user adoption of these services, particularly with newly developed advanced mobile services. Prevalence of mobile services depends not only on technology advancement, but also on user adoption.

Most research about the adoption of mobile services was mainly based on the technology acceptance model (TAM) (e.g., (Chen, 2008; Gao, Moe, & Krogstie, 2010; Luarn & Lin, 2005; Yang, 2005)). It is believed that current research has some limitations in explaining how adopters relate emotionally to mobile services and their feelings attached to using them socially. According to our previous studies (Gao & Krogstie, 2011), there are also non-technical factors (e.g., culture) that impact consumers' adoption of mobile services. Therefore, this research aims to explore mobile services diffusion from a non-technical perspective, such as looking upon lifestyles, in the Chinese context in this study.

According to the annual report issued by the China Internet Network Information Center (CNNIC) in 2013, the number of mobile phone subscribers has exceeded one billion in March 2012. However, only 13.2% of the subscribers is using their mobile devices to conduct online purchasing. In 2012, Chinese citizens spent $8 billion in mobile shopping on Taobao, according to a recent report by Taobao research. However, it is interesting to note that only 6.87% of all Taobao transactions in 2012 were made on a mobile device. According to the predication from Taobao Research, the percentage of all Taobao transactions on a mobile device in 2013 could exceed 15%. The way young consumers engage and make purchases on mobile devices is changing. According to our observation in some big cities in China, although most citizens are capable of using mobile services, adoption of mobile services matters most for seniors, far more so than for younger generations. It is believed that some non-technical factors influenced users' attitude on the adoption of mobile services. We believed that it is worth to investigate the relationship between non-technical factors and the adoption of mobile services.

As lifestyle might have a fundamental effect on how users perceive mobile services, the appropriateness of a mobile service for a lifestyle segment may not be appropriate for other lifestyle segments. To our best knowledge, despite the potential importance of lifestyle, little research has been performed on the effect of various lifestyle factors on mobile services diffusion, particularly in the Chinese context. As mobile devices are more and more popular on the Chinese market, it has lost the luxury status and has become a fashion accessory at least in some regions in China. For example, a few years ago, owning high-end mobile devices and using advanced mobile information services may be seen as a symbol of a high social status. Today, a number of people treat high-end mobile devices and using advanced mobile services as new fashions and cool items to show off public in China (Gao et al., 2012). The objective of this research is to examine the adoption of various mobile services from the view of lifestyle in the Chinese context. In order to address this goal, we carried out an empirical study with university students and young professionals in the biggest city in central China.

The research question is: *How do different lifestyle factors impact the adoption of various mobile services in China?*

The remainder of this paper is organized as follows. In Section 2, we review related literature. Section 3 presents the research method. We analyze the data collected in this study in Section 4. Section 5 concludes this research and points out some directions for future research.

LITERATURE REVIEW

This Section presents some research relevant to this work.